



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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Memorandum

TO: Legislation Committee

DATE: July 3, 2014

FR: Executive Director

W. I. 1131

RE: Alameda County Transportation Sales Tax Increase

Background

The Alameda County Transportation Commission (ACTC) has placed on the November 2014 ballot a proposal to augment and extend the existing half-cent transportation sales tax by a half cent (for a total of 1 percent) from 2014 through 2045, providing nearly \$8 billion in new transportation funding for Alameda County. This memo provides background on the existing half-cent sales tax, details the proposed new measure and recommends that MTC support the measure.

Recommendation: Support

Discussion

Background on Current Sales Tax

In 1986, Alameda County voters approved Measure B, a half-cent sales tax, to fund transportation improvements and programs throughout Alameda County. In November 2000, Alameda County voters approved an extension of the tax through 2022 to fund a new set of project and program investments throughout the County. According to ACTC, all of the major projects promised to and approved by the voters in 2000 are either underway or complete. In 2012, 66.5 percent of Alameda County voters supported a 2012 measure that would have increased by one-half cent and made permanent a 1 percent sales tax for transportation, just 721 votes shy of achieving the two-thirds majority required to pass. The 2014 measure is identical to the 2012 measure, except it includes a 30-year sunset date.

Why is The Measure Needed?

Between now and 2045, Alameda County's population is forecast to grow by almost 30 percent, including a doubling of its senior population. This influx of new residents requires additional investment to meet current and future mobility needs in the county.

Oversight Provisions

To date, ACTC has proved itself a good steward of public funds, with annual audits verified by independent auditors as well as a citizens watchdog committee made up of Alameda County residents. As evidence of its strong financial management, ACTC has received a AAA credit rating on its bonds. The new measure continues strong oversight provisions, requiring an Independent Watchdog Committee made up of Alameda County residents review all expenditures, as well as performance and cost-effectiveness measures. In addition, annual

independent audits will be performed on expenditures by ACTC and all jurisdictions that receive these funds to ensure they are spent in accordance with the 2014 Plan.

Expenditure Plan Highlights

The 2014 Transportation Expenditure Plan includes the following major categories of expenditure. See the attached brochure for additional detail.

Investment Type	Funding	Percent
BART, bus, ferry and commuter rail	\$2.8 billion	35.9 %
Affordable transit for youth and seniors	\$964 million	12.5 %
Local road traffic relief	\$2.3 billion	29.6 %
State highway traffic relief	\$677 million	8.8 %
Bicycle and pedestrian projects	\$651 million	8.5 %
Station access/Transit-oriented development improvements to school and jobs	\$300 million	3.8 %
Technology and innovation	\$77 million	0.9 %
Total	\$7.8 billion	100 %

In addition, some of the larger, specific projects and services to receive funding from the measure include:

- AC Transit operations and maintenance: \$1.5 billion
- Transit for seniors and disabled: \$774 million
- BART to Livermore: \$400 million
- Gap closure on three major bicycle/pedestrian trails (Iron Horse, Bay Trail and East Bay Greenway/UPRR Corridor): \$264 million
- BART Metro and Station Modernization and Capacity Program: \$190 million
- Port of Oakland freight access improvements: \$161 million
- SR 84/I-680 Interchange and SR 84 widening: \$122 million
- Irvington BART Station: \$120 million
- I-880 Access and Safety Improvements: \$85 million

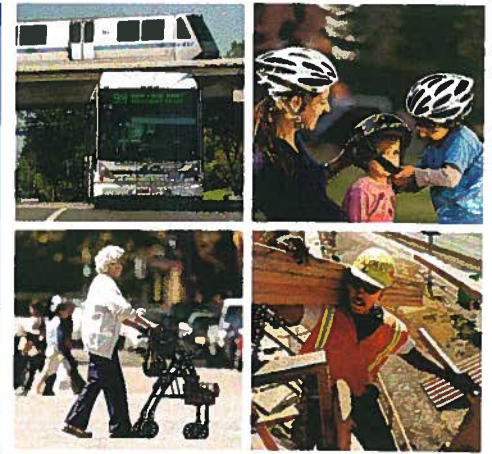
Because Alameda County's 2014 Transportation Expenditure Plan will provide Alameda County with almost \$8 billion in additional funding to support critical transportation services and projects in the region, staff recommends MTC endorse the proposed measure.



Steve Heminger

SH: RL

ALAMEDA COUNTY 2014 Transportation Expenditure Plan

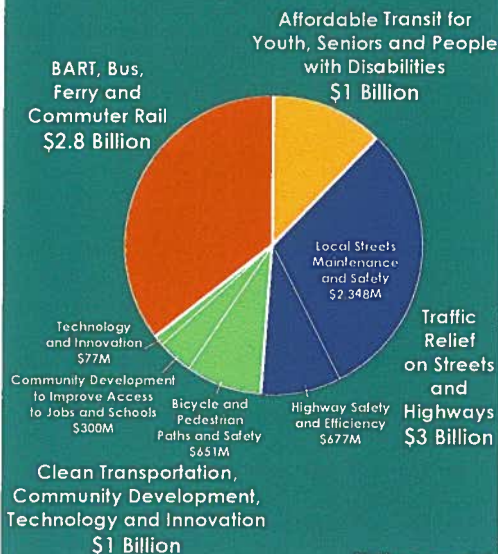


AN INCREASING DEMAND FOR TRANSPORTATION

Transportation investments are needed throughout Alameda County. As the population grows and demand for transportation increases, without new funding Alameda County will lose jobs, experience more traffic on streets and highways, suffer potential service cuts on buses and BART, and see more costly transportation services for youth, seniors and people with disabilities. The 2014 Plan will address Alameda County's needs, create jobs and support a sustainable future.

INVESTMENTS IN THE FUTURE

The measure on the 2014 ballot will fund projects in the 2014 Plan and will generate almost \$8 billion* for essential transportation improvements in every city and throughout Alameda County.



Innovative Transportation Solutions

The 2014 Transportation Expenditure Plan (Plan) and ballot measure will go before voters in November 2014 to provide essential funding for transportation programs and projects throughout Alameda County.

Alameda County Plan funding opportunities

Summary of Investments	Funds Allocation* (\$ x million)
BART, Bus, Ferry and Commuter Rail for Reliable, Safe and Fast Services	\$2,768
BART expansion and maintenance	\$749
Bus operations, maintenance and rapid bus projects	\$1,548
Commuter rail improvements	\$432
Ferry services in Alameda County	\$39
Affordable Transit for Youth, Seniors and People with Disabilities	\$964
Affordable youth transit to school and transit innovation	\$190
Affordable transit for seniors and people with disabilities	\$774
Traffic Relief on Streets and Highways	\$3,025
City and county streets*	\$2,348
Highway safety and efficiency	\$677
Clean Transportation, Community Development, Technology and Innovation	\$1,028
Bicycle and pedestrian paths and safety projects and educational Programs*	\$651
Community development projects to improve access to jobs and schools	\$300
Technology and innovation	\$77
Total Investments (Year 2015 to 2045)	\$7,785

* Fifteen percent of city and county streets funding will support bicycle and pedestrian paths and safety improvements on local streets.
** Estimated funds from 2015 to 2045 are anticipated to be almost \$8 billion.

Investments throughout Alameda County

BART Improvements and Expansion

- BART station improvements: Downtown San Leandro, Irvington, Lake Merritt, MacArthur, 19th Street, Oakland Coliseum, South Hayward, Warm Springs and West Oakland
- BART modernization and expansion

Better Bus Service

- Funding to AC Transit, Wheels and Union City Transit to increase/restore service
- East Bay bus rapid transit projects

Affordable Senior and Youth Transportation

- Affordable and accessible transit for seniors and people with disabilities
- Affordable student transit pass program and Safe Routes to Schools

Traffic Relief

- Improvements on major commute corridors, interchanges and countywide freight corridors, including truck routes serving the Port of Oakland: I-80, I-580, I-680, I-880 and State Route 84
- Street repair, bridge construction and other safety improvements

Community Development and Clean Transportation

- Investments in local communities that improve transit connection to jobs, schools and housing
- Bay Trail, East Bay Greenway and Iron Horse Trail bicycle/pedestrian projects
- Commuter rail service enhancements (Capitol Corridor)
- Operations and maintenance funding for ferry services

2014 TRANSPORTATION EXPENDITURE PLAN

LOCAL TRANSPORTATION FUNDING

The 2014 Plan has been developed for important reasons:

- Most capital projects approved in the 2000 Measure B by 81.5 percent of voters in Alameda County have been completed ahead of schedule. Without a new plan, the County will be unable to fund any new major projects to address growing transportation needs.
- Bus services in Alameda County have been cut significantly, and the gap between road maintenance needs and available funding is at an all-time high.
- The demand on Alameda County's roads, highways, BART and buses is increasing.

The 2014 Plan will help close these gaps and keep Alameda County moving.

STRICT ACCOUNTABILITY AND PERFORMANCE MEASURES ENSURE DELIVERY

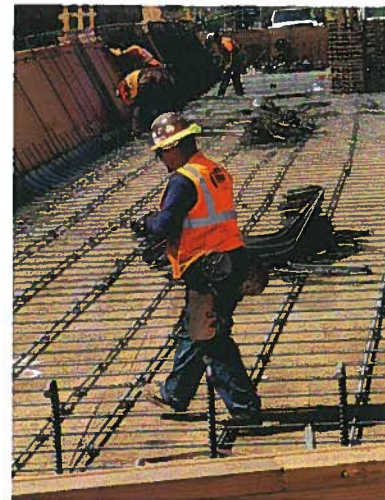
The 30-year Plan includes strict accountability measures to ensure all \$8 billion for County transportation improvements are spent on approved projects. The 2014 Plan requires:

- ✓ **Open and transparent public processes** to allocate funds.
- ✓ **Annual independent audits.**
- ✓ **An independent watchdog committee** made up of people who live in Alameda County.
- ✓ **Annual compliance reports** distributed to the public that detail costs and how specific performance measures are met.



2014 Plan will strengthen economy and improve quality of life

The projects in the 2014 Plan are designed to strengthen the economy and improve quality of life in Alameda County, reduce traffic congestion, improve air quality and create jobs. Targeted investments will maintain existing infrastructure, improve safety, remove bottlenecks on major commute corridors, enhance and expand BART, commuter rail, bus and ferry transit systems; keep fares affordable for seniors, youth and people with disabilities; and make it safer and easier to bike and walk throughout Alameda County. Visit www.AlamedaCTC.org/2014Plan to learn more.



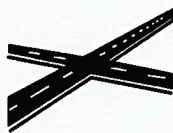
2014 Plan priorities



Expand BART, bus and commuter rail for reliable, safe and fast services, including BART expansion and improvements within Alameda County, bus service expansion and commuter rail service improvements.



Keep fares affordable for seniors, youth and people with disabilities, including affordable senior shuttles, vans and services that help keep seniors independent, critical funding for student transit passes to ensure youth can affordably get to school. The Plan also funds reliable and inexpensive transportation for people with disabilities.



Provide traffic relief, including funds to every city in the County to repave streets, fill potholes and upgrade local transportation infrastructure. The Plan also invests in aging highway corridors to upgrade on- and off-ramps, using modern technology to manage traffic and improve safety.



Improve air quality and provide clean transportation by reducing pollution using innovative technology and expanding bike and pedestrian paths, and BART, bus and commuter rail expansion and operations.



Create good jobs within Alameda County by requiring local contracting that supports residents and businesses in Alameda County.